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Sri Lanka

Biotechnology

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Report Highlights:
Biotechnology in Sri Lanka is still in its infancy as biotechnology policy and regulations are still being developed. A national policy on biosafety was launched by the Ministry of Environment and Natural Resources in October 2005. Although GM labeling regulations were introduced in January 2007, these regulations have not been implemented, as the authorities do not have the resources and expertise for enforcement.

Includes PSD Changes: No
Includes Trade Matrix: No
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SECTION I: EXECUTIVE SUMMARY

Biotechnology in Sri Lanka is at an early stage and biotechnology policy and regulations are still evolving. There is no biotechnology regulatory system in force at present. Although a National Biosafety Framework for Sri Lanka (NBFSL) has been established, there has been no implementation of the NBFSL thus far. The NBFSL was compiled in conformity to the country's commitments as a signatory to the Cartagena Protocol, to regulate the import of biotech foods, and to ensure the safe utilization of modern biotechnology in domestic agriculture. U.S. agricultural trade interests in the country include processed cheese, apples, oranges, grape, vegetable seeds, un-manufactured tobacco, feed, and a limited volume of packaged products.

SECTION II: BIOTECHNOLOGY TRADE AND PRODUCTION

There is no commercial production of biotechnology crops in Sri Lanka, nor are any biotechnology crops under development in the country. Sri Lanka imports soybeans, corn flour, planting seeds, lentils, cotton, and tobacco. The country requires non-GMO certification for soybeans and corn. Sri Lanka does not have a mechanism to test whether the imported products are bioengineered. Currently Sri Lanka does not receive food aid from the USAID Food For Peace Office for development purposes. However, with the resurgence in the ethnic conflict over the past year, the USAID Food For Peace Office is providing emergency food aid which includes the donated commodities of wheat, lentils and vegetable oil.

SECTION III: BIOTECHNOLOGY POLICY

There is no regulatory framework in force in Sri Lanka for agricultural biotechnology. In August 2005, the Ministry of Environment and Natural Resources (MENR) promulgated the National Biosafety Framework for Sri Lanka (NBFSL) to regulate imports of bioengineered food and the application of biotechnology in domestic agriculture. The NBFSL drafted a National Policy for Biosafety (www.biosafety.lk/pub/policy/policy.doc), which was launched by MENR in October 2005. The NBFSL website, www.biosafety.lk, contains various clauses pertaining to biotechnology, such as the Legal Report on Biotechnology and Biosafety; Technical and Technology Aspects of Biosafety; and Institutional Aspects of a National Biosafety Framework.

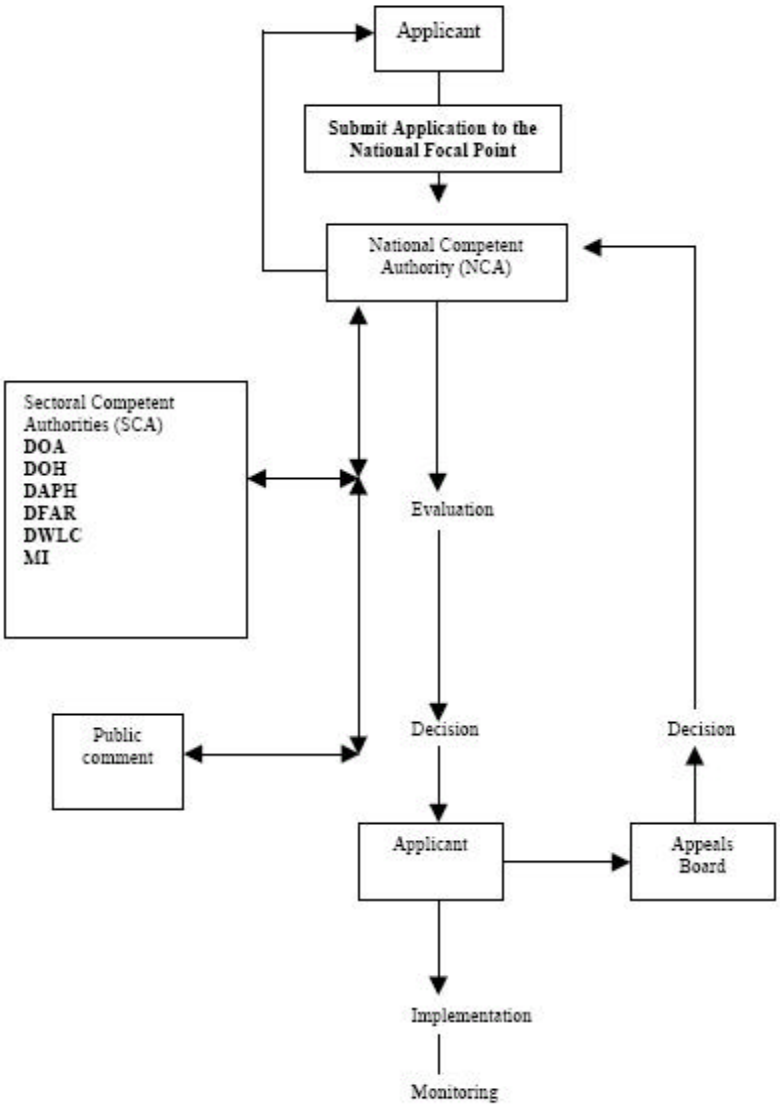
Currently, there is no single regulatory authority to handle biotechnology products. The MENR was designated by the government to establish the NBFSL, and to interact with the Cartegena Protocol Secretariat. The NBFSL recommended the formation of a National Competent Authority, to be known as the National Council for Biosafety (NCB), as the apex body on biotechnology. The council, comprised of representatives of various concerned Ministries and civil society, will be tasked with a wide range of responsibilities, such as developing research and development-industry linkages to promote biotech industries, and establishing legislation, protocols, and guidelines. The council will have to be established by a framework law or an Act of Parliament. However, at present no efforts are being made to make the council a reality.

The council will be required to: (a) screen applications and forward them to the relevant Sectoral Competent Authorities (SCA) and (b) make them available for public comment. These Authorities are required to have their own mechanism to carry out risk assessments and report back to the council. SCAs may involve the following agencies:

Department of Agriculture (DOA):	Agricultural and non-agricultural (e.g. forest species, ornamentals) plants, and planting material

Department of Health Service (DOH):	Biotech food and pharmaceuticals
Veterinary Drug Control Authority (Department of Animal Production and Health):	Domestic animals, including fish, birds, bees, and any other domesticated or wild animals kept in captivity. Biotech fish and/or veterinary pharmaceuticals. Animal feed including biotech feed ingredients.
Department of Wildlife Conservation (DWLC):	Wild animals and tropical aquarium fish.
Department of Fisheries & Aquatic Resources:	All aquatic animals and aquatic plants.

Following is the NBFSL's proposed flow chart for the evaluation of biotech applications:



The National Science Foundation recommended the establishment of an authority under the Ministry of Science & Technology that would be responsible for initiating, promoting, regulating, and monitoring biotech industries. It would also regulate the resultant activities with respect to safety, quality, and ethical issues.

The labeling of packaged food is required under the "Food (Labeling & Advertising) Regulations 2005," ostensibly for consumer awareness, health, safety, and nutrition reasons. A labeling and control regulation of biotech products has been introduced in January 2007. However, due to lack of capacity among regulators, implementation is delayed and GM food imports are currently not impeded. Importers have raised concern that in the event the regulations are enforced, GM imports could be affected as bureaucratic procedures and delays in granting approvals could obstruct and limit imports of GM products. Although the general public is not familiar with biotechnology, policy makers could position GM products in a manner which could cause consumers to be skeptical of such products.

Sri Lanka has signed and ratified the Cartagena Biosafety Protocol, which so far has not impacted trade. Although Sri Lanka at present does not have the capability (personnel and facilities) to test for biotech food, under the proposed monitoring and enforcement criteria of the NBFSL, approval of biotech products for import and use in Sri Lanka will be subject to rigorous testing and risk assessments by qualified laboratories and institutions.

SECTION IV: MARKETING ISSUES

At present, market acceptance for agricultural biotechnology products is not an issue. GM products are consumed without reservation.

SECTION V: CAPACITY BUILDING

USDA has trained local agricultural scientists and two media persons on biotechnology issues, using the Cochran Fellowship Program. Under a scientific exchange program with the Sri Lankan Department of Agriculture, the USDA is funding programs aimed at developing rice varieties that are resistant to pests, diseases, and abiotic stress; DNA marker-based selection of tomatoes for bacterial wilt resistance and heat tolerance; and developing virus-free planting material. Michigan State University in collaboration with the Council for Agriculture Research Policy conducts training for local scientists and university students on focused biotech areas.

Key Sri Lankan stakeholders, including government officials, scientists, and environmental groups, all of whom influence policy, need to be convinced regarding the safety aspects of biotech food, and regarding the advantages of biotechnology to achieve food security. An increased biotechnology outreach effort from the United States would be required to achieve this objective. Assistance is also needed with institutional capacity building, including human resource development, in order to support and implement the biotechnology policy and an effective regulatory system.

The Council for Agriculture Research Policy and the National Science Foundation has identified biotechnology as a means to improve the domestic agricultural sector's productivity, profitability, and to lessen the harmful effects of chemical fertilizers. A joint program between the Council for Agriculture Research Policy and Michigan State University to draw up a detailed road map for biotechnology in Sri Lanka began in December 2005 with a workshop to launch the project. The collaboration continued in 2006 with a workshop hosted jointly by the Department of Agriculture, Michigan State University and the Council for Agriculture Research Policy. Key stakeholders, including the government, private sector, universities, and Non-governmental Organizations participated in the workshop. A biotech proposal was developed by Michigan State University, the Council for Agriculture Research Policy and the Department of Agriculture for U.S. Millennium Challenge Account funding and submitted to the Millennium Challenge Corporation Sri Lanka Point of Contact, the Ministry of Plan Implementation. However, further development of a Millennium Challenge Account compact with Sri Lanka is on hold and funding is therefore unlikely.